(Eligibility, Continued from previous page)

The individual is able to work and is available for the normal workweek with the WorkSharing employer.

The employee must work all the hours offered by the WorkSharing employer in any given week up to the employee's usual weekly hours.

If an individual has earnings in the same week with another employer, those earnings will not affect the individual's WorkSharing benefits.



The employee can receive a maximum of 52 weeks of WorkSharing benefits during a single benefit year.

The total benefits an employee can receive in WorkSharing and regular unemployment benefits combined are limited to the amount that the employee could have received under the regular Unemployment Insurance program alone.

An individual's weekly WorkSharing benefit amount will be the person's regular weekly benefit amount, including any dependents' allowances, multiplied by the percentage reductions in the individual's usual weekly hours of work.

### **Example of WorkSharing**

- Company X joins the WorkShare plan.
- Hours are cut 20% in the unit.
- A layoff of 20% of the employees is avoided.
- Employee of Company X has an average wage of \$500 per week. The 20% cut brings his wages to \$400.
- The employee has an Unemployment Benefit Rate of \$300 and consequently a WorkSharing Benefit Rate of \$60 per week.

#### The Results:

- The employee receives \$460 in total for the week and retains employer benefits and seniority.
- Company X maintains a skilled workforce and remains flexible to respond to an economic upswing.

## A win-win situation for employers and employees!

### Rhode Island Department of Labor and Training

- Equal Opportunity Employer/Program
- Auxiliary aids and services are available upon request to individuals with disabilities.
- TDD (401) 462-8006



# WorkSharing



Preserving Rhode Island's Jobs!

A Guide for Rhode Island Employers

RI Department of Labor and Training P.O. Box 20310, Cranston, RI 02920-0943 Tel. (401) 243-9177 • Fax (401) 462-8506

### Helping RI Employers Avoid Layoffs

Preserving RI Jobs: A win-win program for employers and employees.

Rhode Island's Department of Labor and Training (DLT) is able to offer employers an alternative to layoffs during a temporary slowdown in business.

WorkSharing allows you to keep employees on the payroll by having all of the workers in a department or unit share reduced work hours and collect a percentage of Unemployment Insurance (UI) benefits for up to 52 weeks.

### **WorkSharing Benefits:**

- Workers keep their job and maintain economic security.
- Employers retain skilled and trained workers.
- Workers continue to receive company benefits.
- Employers avoid the time and expense of training new employees.
- Workers maintain employment skills and remain available for advancement opportunities.
- Employers avoid disruption in business operations and can respond quickly as business improves.

### WorkSharing Plan Requirements

All private employers who have had contributions credited to his/her account, and benefits have been chargeable to this account, and are not delinquent in making payments to DLT, would be eligible to submit a WorkSharing Plan. There is no limit as to the size of the employer, however, the affected unit must have at least two employees in order to participate.

The plan only applies to employees who normally work 30-40 hours per week.

Employees must be monetarily eligible to receive UI Benefits.

Normal weekly hours must be cut at least 10% but no more than 50% per week and the reduction in hours in each affected unit are spread equally among employees.

In the case of employees represented by a collective bargaining agent or union, the plan is approved in writing by the collective bargaining agents or unions which cover the affected employees.

The employer must certify that employees worked all available hours for the week being claimed.

The plan will not serve as a subsidy of seasonal employment during the off season, nor as a subsidy for intermittent employment.

In addition to these requirements, DLT's Director has authority to approve or reject the plan in writing. The reasons for rejection would be final and non-appealable.

However, the employer could submit another plan for consideration and that determination would be made based upon the new data submitted by the interested employer.

## Eligibility For WorkSharing Benefits

Employees who normally work 30 hours or more per week and who would normally be eligible to receive regular Unemployment Insurance benefits in Rhode Island are eligible to participate in WorkSharing. The following conditions also apply:

The employee must serve a waiting period week before receiving Worksharing Benefits



unless a
waiting
period has
already
been served
on an
existing
claim.
(Continue next
page)